

Exhibit 12

Yisheng Li
December 16, 2021

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

-----X

XIN YUE GUO a.k.a. XIN YUE on behalf of himself
and as assignee of YISHENG LI and YISHENG LI.

Plaintiffs,

- against -

Civil Action No.:

2:20-CV-05099-JMV-MF

STEWART LOR,

Defendants.

-----X

Zoom Meeting

December 16, 2021
8:30 a.m.

EXAMINATION BEFORE TRIAL OF YISHENG LI,
a Witness herein, taken Pursuant to
Notice, and held at the above-mentioned time
and place, before Kimberly Dean, a
stenographer and Notary Public within and
For the State of New York.

Yisheng Li
December 16, 2021

1 YISHENG LI

2 document?

3 A. I see.

4 Q. Do you see there is a date next to your
5 signature on the document?

6 A. The one for 27-2019.

7 Q. Did you write that date on this
8 document?

9 A. Yes.

10 Q. You signed the document on November 27,
11 2019, correct?

12 A. Yes.

13 Q. This documents refers to Party A and
14 Party B. Do you see that?

15 A. I see.

16 Q. Mr. Yue is Party A, correct?

17 A. Yes.

18 Q. You are Party B, correct?

19 A. Yes.

20 Q. Paragraph 1 of the agreement states that
21 you received one million shares of Sea and Sand
22 Entertainment, Limited, correct?

23 A. Yes.

24 Q. Mr. Li, yesterday you attended the
25 deposition of Mr. Yue, correct?

Yisheng Li
December 16, 2021

1 YISHENG LI

2 A. I heard it.

3 Q. Do you recall Mr. Yue testified at his
4 deposition that he transferred one million shares
5 of Sea and Sand, Limited, to you?

6 A. I heard what he said. And I also can
7 see that it's written in the agreement. However,
8 what I would like to emphasize is that that
9 company was established not long ago at the time
10 and it had not gone into operation yet. Actually,
11 it never got into operation. Which means that
12 regardless whether he gave me one million or even
13 ten million shares, the company never operated,
14 the company never had any revenue. It was just a
15 a number on paper, which meant that it was
16 nothing. It was worth zero.

17 Q. Do you agree that you, in fact, received
18 one million shares of Sea and Sand, Limited, from
19 Mr. Yue, correct?

20 A. I can only say that that transaction did
21 happen. There was that process. However, what I
22 do need to emphasize is that it's pointless to say
23 that or to talk about it now because that -- those
24 shares did not have any value.

25 Q. Mr. Li, I want to understand whether

Yisheng Li
December 16, 2021

1 YISHENG LI

2 A. Yes.

3 Q. Who is your attorney in this case?

4 A. Attorney Chen.

5 Q. Are you referring to Jacob Chen, who is
6 the attorney for the plaintiffs at this
7 deposition?

8 A. Yes.

9 Q. Mr. Li, please look at paragraph 4 of
10 the document.

11 Paragraph 4 states if Sea and Sand
12 Entertainment fails to achieve an IPO within three
13 years, you have the right to request Mr. Yue to
14 pay you \$500,000 plus interest at a rate of 6.6
15 percent per year; isn't that correct?

16 A. According to what is indicated in the
17 contract, that's the case.

18 Q. Mr. Li, you know that in 2020, Mr. Yue
19 filed a lawsuit against Mr. Lor in New Jersey,
20 right?

21 A. Yes.

22 Q. In 2021, you became a party to that
23 lawsuit, right?

24 A. That's correct.

25 Q. You are aware that in May of 2021, an

Yisheng Li
December 16, 2021

1 YISHENG LI

2 contact the attorney that gave it to you and
3 obtain a copy of it?

4 A. What's the purpose for me to go get --
5 ask for another copy?

6 Q. The purpose would be to confirm what we
7 all know is true, which is that you're telling the
8 truth right now.

9 A. For me to say anything in court,
10 everything that I say will be the truth.

11 Q. Everything that is in the Amended
12 Complaint is -- that you allege in the Amended
13 Complaint, is true and correct, right?

14 A. That is correct.

15 Q. Before the Amended Complaint was filed,
16 you saw a Chinese translation of the Amended
17 Complaint, right?

18 A. Yes.

19 Q. You were able to review and confirm in
20 the Chinese translation that all of the
21 allegations in the Amended Complaint are true and
22 correct, right?

23 A. That's correct.

24 Q. You would agree that if you made a
25 materially false allegation in a document that was